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Quiksilver, Inc. Announces Financial Restructuring Plans

- **International Private Equity Firm Rhône to Provide \$150 million 5-Year Term Loan**
- **Bank of America and GE Capital to Provide New \$200 million Line of Credit in the Americas**
- **Company Anticipates New Committed Multi-Year Facility in Europe to Follow**

Huntington Beach, California, June 8, 2009--Quiksilver, Inc. (NYSE:ZQK) today announced that it has entered into an agreement with Rhône, an international private equity firm with offices in New York, London and Paris, for a 5-year senior secured term loan of approximately \$150 million. This new capital from Rhône will significantly improve the Company's liquidity position and is expected to provide the cornerstone to solidify Quiksilver's regional banking relationships around the world. The new financing will enable the Company to refocus its attention on its industry-leading boardsport and outdoor lifestyle brands, Quiksilver, Roxy and DC, and on improving the operating profitability of its business worldwide.

In addition, Quiksilver has entered into a written commitment with Bank of America and GE Capital, as joint lead arrangers, to refinance its existing Americas facility in the form of a new 3-year \$200 million asset-based credit facility. The Company is also in discussions with its French banking partners to consolidate its European debts into a new committed multi-year facility and expects a positive resolution in the near term.

Robert B. McKnight, Jr., Chairman of the Board, Chief Executive Officer and President of Quiksilver, Inc., commented, "Rhône is a strong strategic partner with an international presence and extensive experience investing in globally diversified businesses across a number of sectors. Our agreement with Rhône not only provides the financial stability necessary to complete our new Americas and European financing efforts, but it also allows us to improve our global business and increase the efficiency of our worldwide operations. We are pleased to have addressed our liquidity concerns so that we can now sharpen our focus on streamlining the business and making great product within our three great brands - Quiksilver, Roxy and DC."

M. Steven Langman, Managing Director and Co-Founder of Rhône, stated, "Rhône is enthusiastic about this opportunity to partner with Quiksilver in the continued development of its leading brands. Bob has assembled a first-rate management team, and we are confident that the liquidity and support provided by Rhône will allow the company to implement its dynamic strategy."

The senior secured term loan will bear a coupon rate of interest of 15% of which up to 7.5% is payable in-kind (PIK) with the remainder payable in cash. Rhône will also receive detachable warrants providing the right to acquire approximately 20% of the then-outstanding shares of Quiksilver's common stock at a strike price of \$1.86, which is the volume weighted average closing price over the 60-day period ended June 2, 2009. The warrants expire seven years from issue.

Concurrent with the extension of the term loan, Quiksilver will appoint two new directors designated by Rhône to its board of directors.



Quiksilver intends to use the proceeds from the term loan to pay down existing indebtedness.

Rhône's commitment to fund the term loan is subject to the satisfaction of certain terms and conditions, including completion of the refinancing of Quiksilver's multi-year facility in Europe and other customary closing conditions and is expected to close before the end of July.

Peter J. Solomon Company served as financial advisor and Skadden, Arps, Slate, Meagher & Flom LLP served as legal advisor to Quiksilver in this transaction. Lazard Frères & Co. LLC served as financial advisor and Sullivan & Cromwell LLP served as legal advisor to Rhône.

About Quiksilver:

Quiksilver, Inc. (NYSE:ZQK) is the world's leading outdoor sports lifestyle company, which designs, produces and distributes a diversified mix of branded apparel, footwear, accessories and related products. The Company's apparel and footwear brands represent a casual lifestyle for young-minded people that connect with its boardriding culture and heritage.

The reputation of Quiksilver's brands is based on different outdoor sports. The Company's Quiksilver, Roxy, DC and Hawk brands are synonymous with the heritage and culture of surfing, skateboarding and snowboarding, and its beach and water oriented swimwear brands include Raisins, Radio Fiji and Leilani.

The Company's products are sold in over 90 countries in a wide range of distribution, including surf shops, skate shops, snow shops, its proprietary Boardriders Club shops and other company-owned retail stores, other specialty stores and select department stores. Quiksilver's corporate and Americas' headquarters are in Huntington Beach, California, while its European headquarters are in St. Jean de Luz, France, and its Asia/Pacific headquarters are in Torquay, Australia.

About Rhône:

Rhône was founded in 1996 and has offices in New York, London and Paris. Rhône focuses on middle-market private equity investments in businesses with pan-European or trans-Atlantic presence or growth prospects. Rhône's investment philosophy includes the development of strong, strategic partnerships with the management of portfolio companies in which it is investing. Rhône currently has investments in a diversified portfolio of companies.

Forward looking statements:

This press release contains forward-looking statements including but not limited to statements regarding the Company's financing activities and other future activities. These forward-looking statements are subject to risks and uncertainties, and actual results may differ materially. Certain factors that may affect actual results to differ materially include, without limitation, our ability to finalize the definitive documentation with respect to the term loan and facilities described above; our ability to refinance our existing Americas facility or enter into a new multi-year facility with respect to our European debt; and a delay in completing any of the transactions described above. Please refer to Quiksilver's SEC filings for more information on the other factors that could cause actual results to differ materially from expectations, specifically the sections titled "Risk Factors" and "Forward-Looking Statements" in Quiksilver's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

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NOTE: For further information about Quiksilver, Inc., you are invited to take a look at our world at www.quiksilver.com, www.roxy.com, www.dcsheecousa.com, www.quiksilveredition.com, www.hawkclothing.com.